



Department
for Transport

Future of transport regulatory review consultation: Regulatory Sandboxes

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Introduction

We want the UK to be a world leader in shaping the [future of transport](#). A flexible and forward-looking regulatory framework for transport is critical to achieving this.

The Future of Transport regulatory review aims to address areas of transport regulation that are outdated, a barrier to innovation, or not designed with new technologies and business models in mind.

This consultation is the third opportunity for us to gather your views on the regulatory review, following the publication of the:

- [Future of Mobility: Urban Strategy in March 2019](#)
- [Future of Transport regulatory review: call for evidence on micromobility vehicles, flexible bus services and Mobility-as-a-Service](#), which ran between 16 March and 3 July 2020. A [summary of responses](#) was published in November 2020

This consultation aims to build on our 2019 and 2020 work. It seeks views and evidence from all those with an interest in what an innovative and flexible regulatory framework looks like for emerging transport technologies and puts forward specific proposals.

As part of the review, we're also consulting on:

- [zero emission vehicles](#)
- [future of flight](#)
- [maritime autonomy and remote operations](#)
- [modernising vehicle standards](#)

You're welcome to provide feedback on as many topics as are relevant to your areas of interest and expertise.

Background and proposal

We are seeking feedback on the use of regulatory sandboxes to support innovation in surface transport. A definition of a regulatory sandbox is provided in the next chapter.

Innovation can disrupt the status quo and challenge the way things have been done previously. It can quickly outpace regulation. Regulations then create barriers that prevent the meaningful deployment of new technologies. Innovators and regulators need support to help break new ground in a way that is safe and responsible. Harnessing innovation in a place-based way will help us level up local areas and communities.

This consultation poses questions to:

- identify the major challenges and opportunities of a surface transport sandbox
- define the objectives when using a sandbox
- determine roles and responsibilities within the sandbox
- identify the types of technologies and deployments that a sandbox should support
- decide what legislative support and flexibility might be needed

Previously, successful sandboxes have had a single regulator providing clarity and guidance, as well as creating flexibilities within a given legal framework. A sandbox for surface transport poses new challenges due to the lack of a centralised regulator, so roles and responsibilities will need to be clear and consistent.

As sandboxes are place-based and unique to the challenges of the local area, we expect local authorities (LAs) to take a leading role in managing day-to-day activity and identifying areas most in need of levelling up. We are seeking views on specific roles and responsibilities within a sandbox and further views on how relationships within a sandbox should be managed.

Gathering evidence to assess the performance of activities within sandboxes will help inform future policy. Views are sought on how to monitor and evaluate deployments within sandboxes. This includes views on data sharing arrangements and partnerships between government and innovators.

New powers might be required to safely support innovation, given the potentially wide scope for innovation in surface transport and the likelihood of emerging regulatory barriers. We are seeking views on these new powers. Further views are sought on what flexibilities might help support current and future innovation.

We also need to find out if there are any gaps in the regulatory framework that could be usefully employed in future sandbox trials, to stimulate innovation and the development of emerging technologies.

Definition of a regulatory sandbox

A regulatory sandbox is a defined space where new business models, technologies and policies can be deployed and used in a way that is safe and responsible. Regulators take a leading role to provide guidance, exemptions and regulatory support to innovators.

Sandboxes can:

- make more effective use of the existing legislative framework
- reduce the risk of innovative new technologies, allowing their use ahead of legislative changes
- reduce the regulatory burden placed on innovators
- help regulators better understand the impact of new technologies and services
- create opportunities to build new capabilities within local and central government – to understand how innovative new technologies might fit into traditional transport planning and business cases

Sandboxes are being considered as part of the wider context of modernising transport legislation to support innovative new modes and technologies.

Innovative use of sandboxes

The UK has pioneered the use of sandboxes in other sectors to support innovation. The Civil Aviation Authority's sandbox, for example, enabled real-world trials of innovative new aviation solutions previously prohibited by regulations. The Financial Conduct Authority also used a sandbox to test out new products with real users without the regulatory burdens for consumer-ready solutions.

There are many benefits to using sandboxes in surface (meaning 'land') transport. The benefits are that:

- sandboxes can support deployment-ready technologies to enter the transport ecosystem safely in a controlled and monitored environment
- early deployment of new technologies will help build public trust and also work towards modal shift and decarbonisation as new, greener technologies are introduced into the transport network
- regulators can learn valuable lessons to help improve transport planning, can gather evidence of the safety of new technologies, and understand how to better appraise such technologies
- given their place-based nature, sandboxes can help level up local areas and communities by making better use of new technologies to respond to challenges in transport planning

How to respond

The consultation period began on 28 September 2021 and will run until 11:45pm on 22 November 2021. Ensure that your response reaches us before the closing date.

Further copies and alternative copies of this consultation document, such as Braille and audio CD, for example, can be requested at FutureOfTransport@dft.gov.uk.

You may send your consultation response:

- via the [online survey](#)
- by downloading the [response form](#) and emailing us the return at FutureOfTransport@dft.gov.uk
- by emailing FutureOfTransport@dft.gov.uk directly with your comments
- by post at:

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When responding by email only, state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, make it clear who the organisation represents and, where applicable, how the views of members were assembled.

If you have any suggestions of others who may wish to be involved in this process, contact us.

Questions

This is a list of questions that appear in the consultation and is for information purposes only. If you wish to reply to the questions, see [How to respond](#).

Advantages and disadvantages of sandboxes

What do you see as the advantages of using a sandbox in surface transport?

What do you see as the disadvantages of using a sandbox in surface transport?

Roles and responsibilities

What, in your view, should be the role of central government in a surface transport sandbox?

What, in your view, should be the role of local government in a surface transport sandbox?

How, in your view, should relationships between parties be managed within a surface transport sandbox? For example, contractual or voluntary arrangements.

Sandbox powers and regulatory flexibility

What existing legal powers, in your view, might unlock barriers to innovation in surface transport?

What existing powers, in your view, could be transferred or delegated to help support innovation at a local level?

In your view, are new powers required to enable the use of sandboxes in surface transport?

Other questions on regulatory sandboxes

Please share any other views on the use of regulatory sandboxes in surface transport.

Do you have data or evidence about whether any of the proposals would positively or negatively impact individuals with protected characteristics? (As defined in section 4 of the Equality Act 2010)

Next steps

These responses will complement evidence gathered from the [Future of transport regulatory review: call for evidence](#) and other work on the [Future of Transport](#) to inform our work on this regulatory review. A government response will be published in due course.

In the call for evidence, we said that ultimately the regulatory review may conclude that substantive legislative reform is required. We will continue to engage with stakeholders as our plans develop and as we determine areas where changes to primary legislation are necessary. Where that is the case, we would look to bring forward legislative proposals when Parliamentary time allows.

Consultation principles

The consultation is being conducted in line with the Government's key consultation principles which are listed below. Further information is available at <https://www.gov.uk/government/publications/consultation-principles-guidance>

If you have any comments about the consultation process please contact:

Consultation Co-ordinator
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